
Introduced by Senator Oropeza

February 18, 2010

An act to amend Section 13307 of the Government Code, relating to the state budget.

LEGISLATIVE COUNSEL'S DIGEST

SB 1192, as introduced, Oropeza. State budget.

Existing law provides that in determining whether the state's General Fund budget, in any given fiscal year, is in a surplus or deficit condition, the controlling factor is the fund balance, which is the difference between the total resources and total expenditures.

This bill would make a nonsubstantive change to this provision.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 13307 of the Government Code is
2 amended to read:
3 13307. In determining whether the General Fund budget, in
4 any given fiscal year, is in a surplus or deficit condition, the
5 controlling factor shall be the fund balance which is the difference
6 between total resources and total expenditures. In determining the
7 fund balance, the following principles shall ~~be applied~~ *apply*:
8 (a) Encumbrances, which are any valid obligation for the
9 delivery of goods or services, should not be counted as a budgetary
10 expenditure until the delivery of the goods or services.
11 (b) The unencumbered balances of appropriations, which exist
12 when no commitment for an expenditure is made, should be an

- 1 item of disclosure, but the amount should not be deducted from
- 2 the fund balance.
- 3 (c) Changes affecting a budget subsequent to publication of
- 4 financial statements, such as actions to disencumber funds, should
- 5 be reflected in budget documents after documentation is provided.